



**STATE OF NEW JERSEY**

*Board of Public Utilities*

*Two Gateway Center*

*Newark, NJ 07102*

*www.bpu.state.nj.us*

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF )  
DIGIZIP.COM, INC. FOR AUTHORITY TO PROVIDE )  
FACILITIES-BASED LOCAL EXCHANGE )  
TELECOMMUNICATIONS SERVICES )  
THROUGHOUT THE STATE OF NEW JERSEY )

ORDER

DOCKET NO. TE06030228

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., and by letter dated March 17, 2006, Digizip.com, Inc. ("Petitioner" or "Digizip") filed a Petition with the Board of Public Utilities ("Board") requesting authority to provide local exchange telecommunications services throughout the State of New Jersey. Petitioner requests confidential treatment of the financial information in Exhibit 3 of its Petition. Pursuant to the Open Public Records Act N.J.S.A. 47: 1A-1 et seq., the Petitioner has submitted its financial information under seal and has included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of proprietary information.

Digizip was incorporated under the laws of the State of Arizona on January 11, 2000. Petitioner's principal offices are located at 168 Irving Avenue, Suite 302, Port Chester, New York 10573. Petitioner submitted copies of its Articles of Incorporation, Arizona Certificate of Good Standing and its New Jersey Certificate of Authority to Operate as a Foreign Corporation. According to the Petition, Digizip is currently certified to provide telecommunications services in Alabama, Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New York, North Carolina, Ohio, Pennsylvania, Minnesota, Texas, Utah, Virginia, Washington, and Wyoming. Petitioner states that it has not been denied authority to provide telecommunications services in any state nor has its authority been revoked in any jurisdiction. Petitioner states that its marketing procedures are in accordance with all FCC

rules and regulations regarding changes in telecommunications service providers. Petitioner also states that it will provide services to large business customers or alternate carriers in accordance with signed service agreements.

According to the Petition, Digizip seeks to provide local exchange telecommunications services to business and/or residential consumers within the State of New Jersey. Petitioner states that it does not intend to own or install any of its own facilities within New Jersey, since it will utilize the existing facilities of its underlying service providers and Verizon. The Petitioner asserts that the technical aspects of its business plan are that it will offer services of the Incumbent Local Exchange Carrier. Services will be limited to the provision of local services to business and/or residential customers. Petitioner states that it intends to obtain the appropriate certifications to provide services in approximately three states. Petitioner hopes to expand its service offerings to include the Northeast region in five years. Petitioner states that it has initiated the process of establishing an interconnection agreement with Verizon for the provision of unbundled network elements. Petitioner states that the agreement cannot be finalized until facilities-based authority is granted by the Board. Digizip's toll-free number for local customers, 1-866-375-8324, will be printed on customer invoices.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8, N. J. A. C. 14:1-4.3 which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices located at 168 Irving Avenue, Suite 302, Port Chester, New York 10573. Petitioner states, upon written notice from the Board, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that expedited approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey by offering customers greater choices in local service. With regard to its technical and managerial qualifications, Petitioner asserts that their managerial personnel possess the competence and technical experience necessary to provide the proposed telecommunication services. Exhibit 4 of the Petition, lists and describes all management personnel and their qualifications.

## DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et. seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner is in compliance with Board's filing requirements to provide telecommunications services in New Jersey.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to "provide diversity in the supply of telecommunications services" and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed Digizip's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements which are necessary to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange telecommunications services throughout New Jersey subject to approval of its tariff. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60, and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and the Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner will not be able to provide telecommunications services until a tariff is approved by the Board.

The Board HEREBY ORDERS that:

- 1) Petitioner file its tariff for Board approval.
- 2) Pursuant to N. J. S. A. 48:2-16.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year.
- 3) Pursuant to N. J. S. A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 the following year.

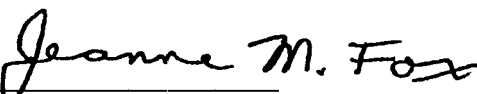
On or before February 1<sup>st</sup> of each year, the Petitioner will receive, from the Division of Audits, an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the company's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and statement of gross intrastate revenues from operations form is due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records under the USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board its books and records upon 48 hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of

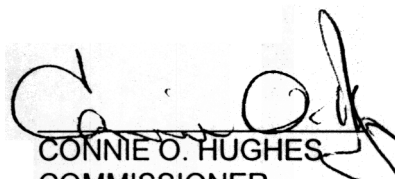
these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in New Jersey and under the USOA.

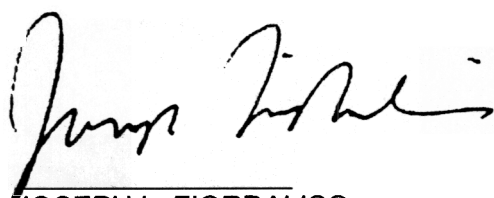
DATED: 7/21/06


BOARD OF PUBLIC UTILITIES  
BY:

  
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JEANNE M. FOX  
PRESIDENT

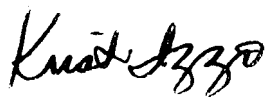
  
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FREDERICK F. BUTLER  
COMMISSIONER

  
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CONNIE O. HUGHES  
COMMISSIONER

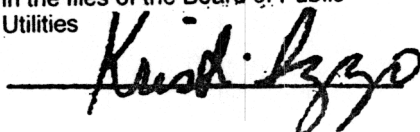
  
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JOSEPH L. FIORDALISO  
COMMISSIONER

  
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CHRISTINE V. BATOR  
COMMISSIONER

ATTEST:

  
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KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities

  
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KRISTI IZZO

IN THE MATTER OF THE PETITION FOR AN ORDER AUTHORIZING  
DIGIZIP.COM. INC. TO PROVIDE  
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES  
THROUGHOUT THE STATE OF NEW JERSEY  
DOCKET NO. TE06030228

SERVICE LIST

Serial No.	<u>Name and Address</u>	Serial No.	<u>Name and Address</u>
1	<b>Petitioner's Contact Person:</b> Greg W Schneider, President Digizip.com, Inc. 168 Irving Avenue. Suite 302 Port Chester, New York 10573	4	<b>Board's Staff:</b> Walter Szymanski, Director Division of Audits Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
2	<b>Petitioner's Attorney:</b> Andrew B. Lustigman, Esq. The Lustigman Firm, P.C. 158 Windham Road, Hillsdale, New Jersey 07642	5	<b>Board's Staff:</b> Anthony Centrella, Director Division of Telecommunications Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
3	<b>Ratepayer Advocate:</b> Seema M. Singh, Esquire Acting Director and Ratepayer Advocate Division of Ratepayer Advocate 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, New Jersey 07101	6	<b>Deputy Attorney General:</b> Arlene Pasko, Esquire Department of Law & Public Safety Division of Law 124 Halsey Street, 5 <sup>th</sup> floor P.O. Box 45029 Newark, New Jersey 07102